

# Instructions for Form 720

(Rev. January 2008)

## Quarterly Federal Excise Tax Return



Department of the Treasury  
Internal Revenue Service

Section references are to the Internal Revenue Code unless otherwise noted.

## What's New

### Changes Effective for the First Calendar Quarter of 2008

**Domestic segment tax.** For amounts paid for each domestic segment of taxable transportation of person by air (IRS No. 26), the domestic segment tax is \$3.50 per segment for transportation that begins in 2008.

**Use of international air travel facilities.** The tax on use of international air travel facilities (IRS No. 27) has increased for amounts paid during 2008. For flights that begin or end in the United States, the tax is \$15.40 per person. For domestic segments that begin or end in Alaska or Hawaii (applies only to departures), the tax is \$7.70 per person.

**Dyed diesel fuel used in trains.** The train operator is no longer liable for the leaking underground storage tank (LUST) tax on dyed diesel fuel used in trains. IRS No. 71 has been removed from Form 720. The position holder of the dyed diesel fuel generally is liable for the LUST tax under IRS No. 105.

**Arrow shafts.** The tax on arrow shafts (IRS No. 106) is \$.43 per arrow shaft.

**Inland waterways fuel use tax (IRS No. 64).** Generally, the inland waterways fuel use tax is \$.20. However, certain fuels must also be reported under IRS No. 125 (see below).

**LUST tax on inland waterways fuel use (IRS No. 125).** The leaking underground storage tank (LUST) tax must be paid on any liquid fuel used on inland waterways that is not subject to LUST tax under section 4041(d) or 4081. For example, gallons of Bunker C residual fuel oil must be reported under both IRS Nos. 64 and 125.

**Disregarded entities and qualified subchapter S subsidiaries.** After December 31, 2007, qualified subchapter S subsidiaries (QSubs) and eligible single-owner disregarded entities are treated as separate entities for excise tax and reporting purposes. QSubs and eligible single-owner disregarded entities must pay and report excise taxes (other than IRS Nos. 31, 51, and 117), register for excise tax activities, and claim any refunds, credits, and payments under the entity's employer identification number (EIN). These actions cannot take place under the owner's taxpayer identification number (TIN). Some QSubs and disregarded entities may already have an EIN. However, if you are unsure, please call the IRS Business and Specialty Tax line at 1-800-829-4933. For more information on applying for an EIN, see *Employer Identification Number (EIN)* on page 3.

Generally, QSubs and eligible single-owner disregarded entities will continue to be treated as disregarded entities for other federal tax purposes (other than employment taxes). Thus, taxpayers filing Form 4136, Credit for Federal Tax Paid on Fuels, with Form 1040, Individual Income Tax Return, can use the owner's TIN. For more information on these new regulations, see Treasury Decision (T.D.) 9356. You can find T.D. 9356 on page 675 of Internal Revenue Bulletin 2007-39 at [www.irs.gov/pub/irs-irbs/irb07-39.pdf](http://www.irs.gov/pub/irs-irbs/irb07-39.pdf).

## Reminders

**Electronic filing.** You can now electronically file Form 720 through any electronic return originator (ERO), transmitter, and/or intermediate service provider (ISP) participating in the IRS *e-file* program for excise taxes. For more information on *e-file*, visit the IRS website at [www.irs.gov/efile](http://www.irs.gov/efile).

**Electronic payment.** Now, more than ever before, businesses can enjoy the benefits of paying their federal taxes electronically. Whether you rely on a tax professional or handle your own taxes, the IRS offers you a convenient program to make it easier. Spend less time on taxes and more time running your business. Use the Electronic Federal Tax Payment System (EFTPS) to your benefit. For information on EFTPS, visit [www.eftps.gov](http://www.eftps.gov) or call the EFTPS Customer Service at 1-800-555-4477. If you are filing Form 720 electronically, you can choose to pay using electronic funds withdrawal (direct debit). For more information, see *How To Make Deposits* on page 7.

## General Instructions

### Purpose of Form

Use Form 720 and attachments to report liability by IRS No. and pay the excise taxes listed on the form.

### When To File

You must file a return for each quarter of the calendar year as follows:

Quarter covered	Due by
Jan., Feb., Mar.	April 30
Apr., May, June	July 31
July, Aug., Sept.	October 31
Oct., Nov., Dec.	January 31

If any due date for filing a return falls on a Saturday, Sunday, or legal holiday, you may file the return on the next business day.

Send your return to the IRS using the U.S. Postal Service or a designated private delivery service to meet the "timely mailing as timely filing/paying" rule. See *Private Delivery Services* on page 2.

**Floor stocks tax.** Report the floor stocks tax on ozone-depleting chemicals (ODCs), IRS No. 20, on the return due by July 31 of each year. The tax payment is due by June 30. See *Floor Stocks Tax* on page 7.

### Where To File

Send Form 720 to:

Department of the Treasury  
Internal Revenue Service  
Cincinnati, OH 45999-0009

### How To File

If you are not reporting a tax that you normally report, enter a zero on the appropriate line in Part I or II (Form 720). Also, if you have no tax to report, write "None" on line 3, Part III; sign and date the return.

If you have adjustments to liabilities reported for prior quarters, see Form 720X, Amended Quarterly Federal Excise Tax Return. Do not enter adjustments on Form 720.

If you attach additional sheets, write your name and EIN on each sheet.

## Final Return

File a final return if you have been filing Form 720 and you:

1. Go out of business, or
2. Will not owe excise taxes that are reportable on Form 720 in future quarters.



*If you are only filing to report zero tax and you will not owe excise tax in future quarters, check the final return box above Part I of Form 720. The IRS will then stop sending Package 720 to you each quarter.*

## Recordkeeping

Keep copies of your tax return, records, and accounts of all transactions to show that the correct tax has been paid. Keep records to support all claims and all exemptions at least 4 years from the latest of the date:

- The tax became due,
- You paid the tax, or
- You filed a claim.

## Penalties and Interest

Avoid penalties and interest by filing returns and depositing and paying taxes when due. The law provides penalties for filing a return late; depositing taxes late; paying taxes late; willfully failing to collect and pay tax or file a return; negligence; and fraud. These penalties are in addition to the interest charged on late payments. The penalty for filing a return late will not be imposed if you can show that the failure to file a timely return is due to reasonable cause. Those filing after the due date must attach an explanation to the return to show reasonable cause.

**Trust fund recovery penalty.** If communications and air transportation taxes are collected but not paid to the United States Treasury or are willfully not collected, the trust fund recovery penalty may apply. The penalty is the full amount of the unpaid tax.

The trust fund recovery penalty may be imposed on all persons who are determined by the IRS to be responsible for collecting, accounting for, and paying over these taxes, and who acted willfully in not doing so.

A responsible person can be an officer or employee of a corporation, a partner or employee of a partnership, an employee of a sole proprietorship, an accountant, or a volunteer director/trustee. A responsible person may also include one who signs checks for the business or otherwise has authority to cause the spending of business funds.

Willfully means voluntarily, consciously, and intentionally. A responsible person acts willfully if he or she knows the required actions are not taking place.

## Additional Information

You may find the following products helpful when preparing Form 720 and any attachments.

- Publication 510, Excise Taxes for 2008, contains definitions and examples that will help you prepare Form 720. Pub. 510 also contains information on fuel tax credits and refunds.
- Publication 509, Tax Calendars for 2008, has deposit and payment due dates for all federal excise taxes.
- Notice 2005-4. You can find Notice 2005-4 on page 289 of Internal Revenue Bulletin 2005-2 at [www.irs.gov/pub/irs-irbs/irb05-02.pdf](http://www.irs.gov/pub/irs-irbs/irb05-02.pdf).
- Notice 2005-24. You can find Notice 2005-24 on page 757 of Internal Revenue Bulletin 2005-12 at [www.irs.gov/pub/irs-irbs/irb05-12.pdf](http://www.irs.gov/pub/irs-irbs/irb05-12.pdf).

- Notice 2005-62. You can find Notice 2005-62 on page 443 of Internal Revenue Bulletin 2005-35 at [www.irs.gov/pub/irs-irbs/irb05-35.pdf](http://www.irs.gov/pub/irs-irbs/irb05-35.pdf).
- Notice 2005-80. You can find Notice 2005-80 on page 953 of Internal Revenue Bulletin 2005-46 at [www.irs.gov/pub/irs-irbs/irb05-46.pdf](http://www.irs.gov/pub/irs-irbs/irb05-46.pdf).
- Notice 2006-50. You can find Notice 2006-50 on page 1141 of Internal Revenue Bulletin 2006-25 at [www.irs.gov/pub/irs-irbs/irb06-25.pdf](http://www.irs.gov/pub/irs-irbs/irb06-25.pdf).
- Notice 2006-92. You can find Notice 2006-92 on page 774 of Internal Revenue Bulletin 2006-43 at [www.irs.gov/pub/irs-irbs/irb06-43.pdf](http://www.irs.gov/pub/irs-irbs/irb06-43.pdf).
- Notice 2007-11. You can find Notice 2007-11 on page 405 of Internal Revenue Bulletin 2007-5 at [www.irs.gov/pub/irs-irbs/irb07-05.pdf](http://www.irs.gov/pub/irs-irbs/irb07-05.pdf).
- Notice 2007-37. You can find Notice 2007-37 on page 1002 of Internal Revenue Bulletin 2007-17 at [www.irs.gov/pub/irs-irbs/irb07-17.pdf](http://www.irs.gov/pub/irs-irbs/irb07-17.pdf).
- Notice 2007-97. You can find Notice 2007-97 on page 1092 of Internal Revenue Bulletin 2007-49 at [www.irs.gov/pub/irs-irbs/irb07-49.pdf](http://www.irs.gov/pub/irs-irbs/irb07-49.pdf).

You may also call the business and specialty tax line at 1-800-829-4933 with your excise tax questions. The hours of operation are Monday - Friday, 7:00 a.m. to 10:00 p.m. local time.

## Private Delivery Services

You can use certain private delivery services designated by the IRS to meet the "timely mailing as timely filing/paying" rule for tax returns and payments. These private delivery services include only the following:

- DHL Express (DHL): DHL Same Day Service, DHL Next Day 10:30 am, DHL Next Day 12:00 pm, DHL Next Day 3:00 pm, and DHL 2nd Day Service.
- Federal Express (FedEx): FedEx Priority Overnight, FedEx Standard Overnight, FedEx 2Day, FedEx International Priority, and FedEx International First.
- United Parcel Service (UPS): UPS Next Day Air, UPS Next Day Air Saver, UPS 2nd Day Air, UPS 2nd Day Air A.M., UPS Worldwide Express Plus, and UPS Worldwide Express.

The private delivery service can tell you how to get written proof of the mailing date.



*Private delivery services cannot deliver items to P.O. boxes. You must use the U.S. Postal Service to mail any item to an IRS P.O. box address.*

## Photographs of Missing Children

The Internal Revenue Service is a proud partner with the National Center for Missing and Exploited Children. Photographs of missing children selected by the Center may appear in instructions on pages that would otherwise be blank. You can help bring these children home by looking at the photographs and calling 1-800-THE-LOST (1-800-843-5678) if you recognize a child.

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## Specific Instructions

### Name and Address

The first time you file Form 720, type or print your name, address (including the suite, room, or other unit number), and the quarter ending date (month and year). After that, the IRS will mail you a Package 720 with a preaddressed Form 720 every quarter. If your address changes, make the corrections on Form 720 and check the address change box above Part I of Form 720.

**P.O. box.** If the post office does not deliver mail to the street address and you have a P.O. box, show the box number instead of the street address.

**Foreign address.** Enter the city, province or state, and country. Follow the country's practice for entering the postal code. Do not abbreviate the country name.

## Employer Identification Number (EIN)

If the EIN on the preaddressed Form 720 is wrong or you did not receive a preaddressed Form 720, enter the correct number. If you are a one-time filer, you may not need an EIN. See *Gas guzzler tax* on page 6. If you do not have an EIN, you may apply for one online. Go to the IRS website at [www.irs.gov/businesses/small](http://www.irs.gov/businesses/small) and click on the "Employer ID Numbers" link. You may also apply for an EIN by calling 1-800-829-4933 (hours of operation are Monday - Friday, 7:00 a.m. to 10:00 p.m. local time), or you can fax or mail Form SS-4, Application for Employer Identification Number, to the IRS.

## Signature

Form 720 must be signed by a person authorized by the entity to sign this return.

## Third Party Designee

If you want to allow an employee of your business, a return preparer, or other third party to discuss your Form 720 with the IRS, check the "Yes" box in the *Third Party Designee* section of Form 720. Also, enter the designee's name, phone number, and any five digits that person chooses as his or her personal identification number (PIN).

By checking the "Yes" box, you are authorizing the IRS to speak with the designee to answer any questions relating to the processing of or the information reported on Form 720. You are also authorizing the designee to:

- Exchange information concerning Form 720 with the IRS, and
- Respond to certain IRS notices that you have shared with your designee relating to Form 720. The IRS will not send notices to your designee.

You are not authorizing the designee to receive any refund check, bind you to anything (including additional tax liability), or otherwise represent you before the IRS. If you want to expand the designee's authority, see Publication 947, Practice Before the IRS and Power of Attorney.

The authorization will automatically expire 1 year from the due date (without regard to extensions) for filing your Form 720. If you or your designee want to revoke this authorization, send a written statement of revocation to the Department of the Treasury, Internal Revenue Service, Cincinnati, OH 45999. See Publication 947 for more information.

## Part I

### Environmental Taxes

Use Form 6627, Environmental Taxes, to figure the environmental taxes on:

- Oil spill liability, IRS Nos. 18 and 21;
- Ozone-depleting chemicals (ODCs), IRS No. 98;
- Imported products that used ODCs as materials in the manufacture or production of the product, IRS No. 19; and
- The floor stocks tax on ODCs, IRS No. 20 (reported in Part II).

Attach Form 6627 to Form 720. The tax rates for these taxes are shown on Form 6627.

### Communications Taxes

#### Who Must File

The person receiving the payment for communications services must collect and pay over the tax and file the return. Enter the amount of tax collected or considered collected for the quarter.

### Communications Services (IRS No. 22)

The tax is 3% of amounts paid for local telephone service and teletypewriter exchange service.

#### Credits or Refunds

If tax is collected and paid over for nontaxable services from the communications tax, the collector or taxpayer may request a credit or refund as described below and in Notices 2006-50 and 2007-11.

**Collectors.** The collector may request a credit or refund only if it has repaid the tax to the person from whom the tax was collected, or obtained the consent of that person to the allowance of the credit or refund. These requirements also apply to nontaxable service refunds.

#### *Collectors using the regular method for deposits.*

Collectors using the regular method for deposits must use Form 720X to request a credit or refund.

#### *Collectors using the alternative method for deposits.*

Collectors using the alternative method for deposits must adjust their separate accounts for the credit or refund. For more information, see *Alternative method* on page 8.

**Form 720 taxpayers.** Credits or refunds for nontaxable service that was billed after February 28, 2003, and before August 1, 2006, can be requested by taxpayers only on their 2006 federal income tax returns. Instructions to request the credit or refund are available with the 2006 income tax returns. Do not use Form 8849, Form 720, or Form 843 to make claims for nontaxable service; the IRS will not process these claims.

### Air Transportation Taxes

#### Who Must File

The person receiving the payment for air transportation services must collect and pay over the tax and file the return. Enter the amount of tax collected or considered collected for the quarter.

#### Transportation of Persons by Air (IRS No. 26)

The tax on transportation of persons by air is made up of the percentage tax and the domestic segment tax. Add the percentage tax and the domestic segment tax to get the total tax on transportation of persons by air.

**Percentage tax.** The percentage tax is 7.5% for amounts paid for taxable transportation of persons by air.

**Domestic segment tax.** For amounts paid for each domestic segment of taxable transportation of persons by air, the domestic segment tax is \$3.50 per segment for transportation that begins in 2008.

**Rural airports.** If a segment is to or from a rural airport, the domestic segment tax does not apply.

#### Transportation of Property by Air (IRS No. 28)

The tax is 6.25% of amounts paid for transportation of property by air.

#### Use of International Air Travel Facilities (IRS No. 27)

For amounts paid during 2008 the tax on international flights is:

- \$15.40 per person for flights that begin or end in the United States, or
- \$7.70 per person for domestic segments that begin or end in Alaska or Hawaii (applies only to departures).

### Communication and Air Transportation Taxes—Uncollected Tax Report

A separate report is required to be filed by collecting agents of communications services (local and teletypewriter service) and air transportation taxes if the person from whom the facilities or services tax (the tax) is required to be collected (the taxpayer) refuses to pay the tax, or it is impossible for the collecting agent to collect the tax. The report must contain the name and address of the taxpayer,

the type of facility provided or service rendered, the amount paid for the facility or service (the amount on which the tax is based), and the date paid.

**Regular method taxpayers.** For regular method taxpayers, the report must be filed by the due date of the Form 720 on which the tax would have been reported.

**Alternative method taxpayers.** For alternative method taxpayers, the report must be filed by the due date of the Form 720 that includes an adjustment to the separate account for the uncollected tax. See *Alternative method* on page 8.

**Where to file. Do not file the uncollected tax report with Form 720.** Instead, mail the report to:

Internal Revenue Service  
Excise Tax Program  
SE:S:SP:EX MS C9-109  
5000 Ellin Rd.  
Lanham, MD 20706

## Fuel Taxes

**First taxpayer's report.** If you are reporting gallons of taxable fuel that may again be subject to tax, you may need to file a first taxpayer's report. The report must contain all the information as shown in the Model Certificate B in the Appendix of Publication 510.

The person who paid the first tax must:

- Give a copy of the first taxpayer's report to the buyer;
- File the first taxpayer's report with Form 720 for the quarter for which the report relates; and
- Write "EXCISE—FIRST TAXPAYER'S REPORT" across the top of a separate copy of the report, and by the due date of Form 720, send the copy to:

Department of the Treasury  
Internal Revenue Service  
Cincinnati, OH 45999-0555

**Diesel fuel (IRS No. 60).** If you are liable for the diesel fuel tax on removal at the terminal rack, report these gallons on line 60(a). If you are liable for the diesel fuel tax on events other than removal at the terminal rack, report these gallons on line 60(b). If you are liable for the diesel fuel tax because you have produced diesel fuel by blending biodiesel with taxed diesel fuel outside of the bulk transfer/terminal system, report these gallons of biodiesel on line 60(c). If you report gallons on line 60(c), do not report those gallons on line 60(b).

Multiply the total number of gallons subject to tax on lines (a), (b), and (c) by \$.244 and make one entry in the tax column.

Also see *Schedule T—Two-Party Exchange Information Reporting* on page 9 if applicable.

**Diesel-water fuel emulsion (IRS No. 104).** If you are liable for the reduced rate (see below) of tax on a diesel-water fuel emulsion removal at the terminal rack or other taxable event, report these gallons on the line for IRS No. 104.

**Requirements.** All of the following requirements must be met to be eligible for the reduced rate: (a) the diesel-water fuel emulsion must contain at least 14% water, (b) the emulsion additive must be registered by a United States manufacturer with the EPA under section 211 of the Clean Air Act, and (c) the taxpayer must be registered by the IRS. If these requirements are not met, you must report the sale, removal, or use of a diesel-water fuel emulsion as diesel fuel.

**IRS Nos. 105, 107, 119, and 111.** Tax is imposed at \$.001 per gallon on removals, entries, and sales of gasoline, diesel fuel, and kerosene described as exempt transactions.

- IRS No. 105, Dyed diesel fuel, LUST tax.
- IRS No. 107, Dyed kerosene, LUST tax.
- IRS No. 119, LUST tax, other exempt removals. Report gasoline blendstocks, kerosene used for a feedstock purpose, and diesel fuel or kerosene sold or used in Alaska.

- IRS No. 111, Kerosene for use in aviation, LUST tax on nontaxable uses. Report gallons of kerosene removed directly from a terminal into the fuel tank of an aircraft for nontaxable uses.

Multiply the total number of gallons subject to tax for each fuel by \$.001 and make the entry in the tax column.

**Kerosene (IRS No. 35).** If you are liable for the kerosene tax on removal at the terminal rack, report these gallons on line 35(a). If you are liable for the kerosene tax on events other than removal at the terminal rack, report these gallons of kerosene on line 35(b).

Multiply the total number of gallons subject to tax on lines (a) and (b) by \$.244 and make one entry in the tax column.

Also see *Schedule T—Two-Party Exchange Information Reporting* on page 9 if applicable.

**Kerosene for use in aviation (IRS Nos. 69, 77, and 111).** Generally, kerosene is taxed at \$.244 per gallon.

- For kerosene removed directly from a terminal into the fuel tank of an aircraft for use in noncommercial aviation, the tax rate is \$.219 per gallon. Report these gallons on the line for IRS No. 69.
- For kerosene removed directly from a terminal into the fuel tank of an aircraft for use in commercial aviation (other than foreign trade), the tax rate is generally \$.044 per gallon. Report these gallons on the line for IRS No. 77.
- For kerosene removed directly from a terminal into the fuel tank of an aircraft for nontaxable uses, the tax rate is generally \$.001 per gallon. Report these gallons on the line for IRS No. 111.

**Other fuels (IRS No. 79).** You are liable for the tax on the fuels listed below when they are delivered into the fuel supply tank of a motor vehicle or motorboat (or trains for B-100). Use the following table to determine the tax for each gallon. Fill in the number of gallons and the appropriate rate in the *Rate* column on the line for IRS No. 79. If more than one rate applies, leave the *Rate* column blank and attach a schedule showing the rates and number of gallons taxed at each rate.

Fuel	Tax Rate per Gallon
<b>Qualified—</b>	
Ethanol produced from coal . . . . .	.1325
Methanol produced from coal . . . . .	.1235
<b>Partially exempt—</b>	
Ethanol produced from natural gas . . . . .	.114
Methanol produced from natural gas . . . . .	.0925
<b>B-100 (100% biodiesel)</b> . . . . .	.244
<b>Other fuels not shown</b> . . . . .	.184

**Gasoline (IRS No. 62).** If you are liable for the gasoline tax on removal at the terminal rack, report these gallons on line 62(a). If you are liable for the gasoline tax on events other than removal at the terminal rack, report these gallons on line 62(b). If you are liable for the gasoline tax because you have blended alcohol with taxed gasoline outside of the bulk transfer/terminal system, report these gallons of alcohol on line 62(c). If you report gallons on line 62(c), do not report those gallons on line 62(b).

Multiply the total number of gallons subject to tax on lines (a), (b), and (c) by \$.184. Combine the tax for lines (a), (b), and (c), and make one entry in the tax column.

Also see *Schedule T—Two-Party Exchange Information Reporting* on page 9 if applicable.

**Aviation gasoline (IRS No. 14).** Aviation gasoline is taxed at the rate shown on Form 720.

**Alternative fuel (IRS Nos. 112, 118, and 120–124).**

Alternative fuel is any liquid other than gas oil, fuel oil, or any product taxable under Internal Revenue Code section 4081. You are liable for tax on alternative fuel delivered into the fuel supply tank of a motor vehicle or motorboat, or on certain bulk sales. Report the tax on the line for the IRS No. listed in the following table.

Alternative Fuel	IRS Number
Liquefied petroleum gas (LPG)	112
"P Series" fuels	118
Compressed natural gas (CNG)	120
Liquefied hydrogen	121
Any liquid fuel derived from coal (including peat) through the Fischer-Tropsch process	122
Liquid fuel derived from biomass	123
Liquefied natural gas (LNG)	124

LPG includes propane, butane, pentane, or mixtures of those gases. CNG is taxed at \$.183 per gasoline gallon equivalent (126.67 cubic feet).

## Retail Tax

### Truck, trailer, and semitrailer chassis and bodies, and tractors (IRS No. 33)

The tax is 12% (.12) of the sales price on the first retail sale of each unit. The tax applies to:

- Truck chassis and bodies except truck chassis and bodies suitable for use with a vehicle with a gross vehicle weight (GVW) of 33,000 pounds or less,
- Trailer and semitrailer chassis and bodies except trailer and semitrailer chassis and bodies suitable for use with a vehicle with a GVW of 26,000 pounds or less, and
- Tractors of the kind chiefly used for highway transportation in combination with a trailer or semitrailer, except tractors that have a gross vehicle weight of 19,500 pounds or less and a gross combined weight of 33,000 pounds or less. Generally, gross combined weight means the weight of a tractor and the weight of its trailer(s).

The sales price of a vehicle includes the sales price of certain related parts and accessories sold on or in connection with the sale of the vehicle.

Figure the tax for each vehicle sold and enter the total for the quarter on the line for IRS No. 33.

**Gross vehicle weight.** The gross vehicle weight means the maximum total weight of a loaded vehicle. Generally, this maximum total weight is the gross vehicle weight rating provided by the manufacturer or determined by the seller of the completed article. The seller's gross vehicle weight rating must be determined for excise tax purposes on the basis of the strength of the chassis frame and the axle capacity and placement. The seller may not take into account any readily attachable components (such as tires or rim assemblies) in determining the gross vehicle weight. See Regulations section 145.4051-1(e)(3) for more information.

The following four classifications of truck body types meet the suitable for use standard and will be excluded from the retail excise tax.

- Platform truck bodies 21 feet or less in length.
- Dry freight and refrigerated truck van bodies 24 feet or less in length.
- Dump truck bodies with load capacities of 8 cubic yards or less.
- Refuse packer truck bodies with load capacities of 20 cubic yards or less.

For more information, see Rev. Proc. 2005-19, which is on page 832 of Internal Revenue Bulletin 2005-14 at [www.irs.gov/pub/irs-irbs/irb05-14.pdf](http://www.irs.gov/pub/irs-irbs/irb05-14.pdf).

**Section 4051(d) tire credit.** A tax credit may be taken equal to the amount of tax that has been imposed on each tire that is sold on or in connection with the first retail sale of a taxable vehicle reported on IRS No. 33. Claim the section 4051(d) tire credit on Schedule C, line 15a.

## Ship Passenger Tax

**Transportation by water (IRS No. 29).** A tax is imposed on the operator of commercial ships. The tax is \$3 for each

passenger on a commercial passenger ship that has berth or stateroom accommodations for at least 17 passengers if the trip is over 1 or more nights. A voyage extends "over 1 or more nights" if it lasts longer than 24 hours. The tax also applies to passengers on any commercial ship that transports passengers engaged in gambling aboard the ship beyond the territorial waters of the United States. Enter the number of passengers for the quarter on the line for IRS No. 29.

## Other Excise Tax

**Obligations not in registered form (IRS No. 31).** For obligations issued during the quarter, enter the principal amount of the obligation multiplied by the number of calendar years (or portion thereof) during the period beginning on the issue date and ending on the maturity date on the line for IRS No. 31.

## Manufacturers Taxes



*Do not include the excise tax on coal in the sales price when determining which tax rate to use.*

**Underground mined coal (IRS Nos. 36 and 37).** The tax on underground mined coal is the lower of \$1.10 per ton or 4.4% (.044) of the sales price. Enter on the line for IRS No. 36 the number of tons of underground mined coal sold at \$25 or more per ton. Enter on the line for IRS No. 37 the total sales price for all sales of underground mined coal sold at a selling price of less than \$25 per ton.

**Surface mined coal (IRS Nos. 38 and 39).** The tax on surface mined coal is the lower of \$.55 per ton or 4.4% (.044) of the sales price. Enter on the line for IRS No. 38 the number of tons of surface mined coal sold at \$12.50 or more per ton. Enter on the line for IRS No. 39 the total sales price for all sales of surface mined coal sold at a selling price of less than \$12.50 per ton.

**Taxable tires (IRS Nos. 108, 109, and 113).** A tax is imposed on taxable tires sold by the manufacturer, producer, or importer at the rate of \$.0945 (\$.04725 in the case of a biasply tire or super single tire) for each 10 pounds of the maximum rated load capacity over 3,500 pounds. Figure the tax for each tire sold in each category as shown in the following chart and enter the total for the quarter on the line for IRS No. 108, 109, or 113.

IRS No.	Taxable Tire Category	Rate (for each 10 pounds of the maximum rated load capacity over 3,500 pounds)
108	Taxable tires other than biasply or super single tires	\$.0945
109	Taxable tires, biasply or super single tires (other than super single tires designed for steering)	\$.04725
113	Taxable tires, super single tires designed for steering	\$.0945

A **taxable tire** is any tire of the type used on highway vehicles if wholly or partially made of rubber and if marked according to federal regulations for highway use. A biasply tire is a pneumatic tire on which the ply cords that extend to the beads are laid at alternate angles substantially less than 90 degrees to the centerline of the tread. A super single tire is a tire greater than 13 inches in cross section width designed to replace 2 tires in a dual fitment, but does not include any tire designed for steering.

**Gas guzzler tax (IRS No. 40).** Use Form 6197, Gas Guzzler Tax, to figure the liability for this tax. Attach Form 6197 to Form 720. The tax rates for the gas guzzler tax are shown on Form 6197.

**One-time filing.** If you import a gas guzzling automobile, you may be eligible to make a one-time filing of Form 720 and Form 6197 if you meet all of the following conditions.

- You do not import gas guzzling automobiles in the course of your trade or business.
- You are not required to file Form 720 reporting excise taxes for the calendar quarter, except for a one-time filing.

Follow the steps below to make a one-time filing.

1. File Form 720 for the quarter in which you incur liability for the tax. See *When To File* on page 1.
2. Pay the tax with Form 720. No deposits are required.
3. If you are an individual and do not have an employer identification number (EIN), enter your social security number (SSN) or individual taxpayer identification number (ITIN) on Form 720 and Form 720-V in the space for the EIN.
4. Check the one-time filing box on the line for the gas guzzler tax.

**Vaccine taxes (IRS No. 97).** A tax is imposed on the sale or use of a vaccine manufactured, produced, or entered into the United States at \$.75 per dose if it:

- Contains diphtheria toxoid, tetanus toxoid, pertussis bacteria, extracted or partial cell bacteria, specific pertussis antigens, or polio virus;
- Is against measles, mumps, rubella, hepatitis A, hepatitis B, chicken pox, rotavirus gastroenteritis, or human papillomavirus;
- Is any HIB (haemophilus influenza type B) vaccine;
- Is any meningococcal vaccine;
- Is any conjugate vaccine against streptococcus pneumoniae; or
- Is any trivalent vaccine against influenza.

If any taxable vaccine is combined with one or more additional taxable vaccines, then the tax is imposed on each vaccine included in the combination.

**Example.** MMR contains three taxable vaccines: measles, mumps, and rubella. The tax per dose on MMR is \$2.25 (3 x \$.75).

Add the tax for each taxable vaccine and enter the total tax on the line for IRS No. 97.

## Foreign Insurance Taxes

**Policies issued by foreign insurers (IRS No. 30).** Enter the amount of premiums paid during the quarter on policies issued by foreign insurers. Multiply the premiums paid by the rates listed on Form 720 and enter the total for the three types of insurance on the line for IRS No. 30.

**Who must file.** The person who pays the premium to the foreign insurer (or to any nonresident person such as a foreign broker) must pay the tax and file the return. Otherwise, any person who issued or sold the policy, or who is insured under the policy, is required to pay the tax and file the return.

**Treaty-based return positions under section 6114.** Foreign insurers and reinsurers who take the position that a treaty of the United States overrules, or otherwise modifies, an Internal Revenue law of the United States must disclose such position. This disclosure must be made once a year on a statement which must report the payments of premiums that are exempt from the excise tax on policies issued by foreign insurers for the previous calendar year. This statement is filed with the 1st quarter Form 720, which is due before May 1 of each year.

You may be able to use Form 8833, Treaty-Based Return Position Disclosure Under Section 6114 or 7701(b), as a disclosure statement.

At the top of Form 720, write "Section 6114 Treaty." If you have no other transactions reportable on Form 720, complete Form 720 as follows.

1. If this is your final return, check the final return box.
2. Write "None" on lines 1 and 3.
3. Sign the return.

You need an EIN to file Form 720. If you do not have an EIN, see *Employer Identification Number (EIN)* on page 3.

**Where to file.** All filers should mail Form 720 with the attached Form 8833 or disclosure statement to:

Department of the Treasury  
Internal Revenue Service  
Cincinnati, OH 45999-0009

Also, see the *Caution* under *Private Delivery Services* on page 2.

## Part II

**Sport fishing equipment (other than fishing rods and fishing poles) (IRS No. 41).** The tax on sport fishing equipment is 10% (.10) of the sales price. The tax is paid by the manufacturer, producer, or importer. Taxable articles include reels, fly fishing lines (and other lines not over 130 pounds test), fishing spears, spear guns, spear tips, terminal tackle, fishing supplies and accessories, and any parts or accessories sold on or in connection with these articles. See Publication 510 for a complete list of taxable articles. Add the tax on each sale during the quarter and enter the total on the line for IRS No. 41.

**Fishing rods and fishing poles (IRS No. 110).** The tax on fishing rods and fishing poles (and component parts) taxed at a rate of 10% will have a maximum tax of \$10 per article. The tax is paid by the manufacturer, producer, or importer. Add the tax on each sale during the quarter and enter the total on the line for IRS No. 110.

**Electric outboard motors (IRS No. 42).** The tax on an electric outboard motor is 3% (.03) of the sales price. The tax is paid by the manufacturer, producer, or importer. Add the tax on each sale during the quarter and enter the total on the line for IRS No. 42.

**Fishing tackle boxes (IRS No. 114).** The tax on fishing tackle boxes is 3% (.03) of the sales price. The tax is paid by the manufacturer, producer, or importer. Add the tax on each sale during the quarter and enter the total on the line for IRS No. 114.

**Bows, quivers, broadheads, and points (IRS No. 44).** The tax on bows is 11% (.11) of the sales price. The tax is paid by the manufacturer, producer, or importer. It applies to bows having a peak draw weight of 30 pounds or more. The tax is also imposed on the sale of any part or accessory suitable for inclusion in or attachment to a taxable bow and any quiver, broadhead, or point suitable for use with arrows described below. Add the tax on each sale during the quarter and enter the total on the line for IRS No. 44.

**Arrow shafts (IRS No. 106).** The tax on arrow shafts is \$.43 per arrow shaft. The tax is paid by the manufacturer, producer, or importer of any arrow shaft (whether sold separately or incorporated as part of a finished or unfinished product) of a type used in the manufacture of any arrow which after its assembly meets either of the following conditions.

- It measures 18 inches or more in overall length.
- It measures less than 18 inches in overall length but is suitable for use with a taxable bow, described earlier.

Add the tax on each sale during the quarter and enter the total on the line for IRS No. 106.

**Inland waterways fuel use tax (IRS No. 64).** If you are liable for the inland waterways fuel use tax, report the number of gallons subject to tax on the line for IRS No. 64. Certain fuels must also be reported under IRS No. 125 (see below).



*The inland waterways fuel use tax applies at the rate listed on Form 720. This is in addition to all other taxes imposed on the sale or use of the fuel.*

**LUST tax on inland waterways fuel use (IRS No. 125).** The leaking underground storage tank (LUST) tax must be paid on any liquid fuel used on inland waterways that is not subject to LUST tax under section 4041(d) or 4081. For example, gallons of Bunker C residual fuel oil must be reported under both IRS Nos. 64 and 125.

**Alcohol sold as but not used as fuel (IRS No. 51).** An excise tax is imposed if the alcohol fuel mixture credit or alcohol credit was claimed and **any person** later (a) uses a mixture or straight alcohol for a purpose other than fuel, (b) separates the alcohol from the mixture, or (c) mixes the straight alcohol.

Use the following table to determine the tax for each gallon of alcohol. Fill in the number of gallons and the appropriate rate in the *Rate* column on the line for IRS No. 51. If more than one rate applies, leave the *Rate* column blank and attach a schedule showing the rates and number of gallons taxed at each rate.

IF the alcohol is...	AND...	THEN the tax rate per gallon is...
at least 190 proof	• is ethanol	\$ .51
	• is methanol	.60
	• benefited from the small ethanol producer credit	.61
at least 150 proof but less than 190 proof	• is ethanol	\$ .3778
	• is methanol	.45
	• benefited from the small ethanol producer credit	.4778

**Biodiesel sold as but not used as fuel (IRS No. 117).** An excise tax is imposed if the (a) biodiesel or renewable diesel mixture credit or (b) biodiesel or renewable diesel credit was claimed and **any person** later (a) uses a mixture or straight biodiesel or renewable diesel for a purpose other than as fuel, (b) separates the biodiesel or renewable diesel from the mixture, or (c) mixes the straight biodiesel or renewable diesel.

The tax is \$.50 per gallon of biodiesel, \$1.00 per gallon of agri-biodiesel, and \$1.00 per gallon of renewable diesel. An additional \$.10 is added if the agri-biodiesel benefited from the small agri-biodiesel producer credit. Fill in the number of gallons and the appropriate rate in the *Rate* column on the line for IRS No. 117. If more than one rate applies, leave the *Rate* column blank and attach a schedule showing the rates and number of gallons taxed at each rate.

## Floor Stocks Tax

**Ozone-depleting chemicals floor stocks tax (IRS No. 20).** Use Form 6627 to figure the liability for this tax. Enter the amount from Form 6627, Part IV, line 4, column (d) on the line for IRS No. 20. Attach Form 6627 to Form 720 that is due July 31 of each year. Deposit the payment by June 30 at an authorized financial institution. See *How To Make Deposits* below.

## Part III

**Line 4.** Report on Form 720, line 4, the total claims from Schedule C, line 16. See the instructions for *Schedule C—Claims* on page 9.

**Line 6.** Include on line 6 the amount from line 11 of your previous return that you applied to this return and the amount from Form 720X, line 5b.

**Note.** Include on line 6 of your next return the amount from line 11 you want to have applied to that return.



*If you owe other federal tax, interest, or penalty, the overpayment on line 11 and line 7 will first be applied to the unpaid amounts.*

**Line 10.** If line 3 is more than line 9, enter the difference in line 10. You do not have to pay if line 10 is under \$1.00.

You may pay the amount shown on line 10 by EFTPS, check or money order, or, if filing electronically, electronic funds withdrawal (direct debit). If you pay by EFTPS or direct debit, do not file Form 720-V, Payment Voucher.



*If you do not deposit as required and, instead, pay the taxes with Form 720, you may be subject to a penalty.*

## Payment of Taxes

Generally, semimonthly deposits of excise taxes are required. A **semimonthly period** is the first 15 days of a month (the first semimonthly period) or the 16th through the last day of a month (the second semimonthly period).

However, no deposit is required for the situations listed below. The taxes are payable with the return.

- The net liability for taxes listed in Part I (Form 720) does not exceed \$2,500 for the quarter.
- The gas guzzler tax is being paid on a one-time filing. See *Gas guzzler tax* on page 6.
- The liability is for taxes listed in Part II (Form 720), except for the floor stocks tax that generally requires a single deposit. See *Floor Stocks Tax* above.

## How To Make Deposits

To avoid a penalty, make your deposits timely and do not mail your deposits directly to the IRS. Records of your deposits will be sent to the IRS for crediting to your accounts.

**Electronic deposit requirement.** You must make electronic deposits of all depository taxes (such as deposits for employment tax, excise tax, and corporate income tax) using the Electronic Federal Tax Payment System (EFTPS) in 2008 if:

- The total deposits of such taxes in 2006 exceeded \$200,000 or
- You were required to use EFTPS in 2007 or any prior year.

If you are required to use EFTPS and use Form 8109, Federal Tax Deposit Coupon, instead, you may be subject to a 10% penalty. If you are not required to use EFTPS, you may participate voluntarily. To get more information or to enroll in EFTPS, visit the EFTPS website at [www.eftps.gov](http://www.eftps.gov) or call 1-800-555-4477. Also see Publication 966, *The Secure Way to Pay Your Federal Taxes*.

**Depositing on time.** For EFTPS deposits to be on time, you must initiate the transaction at least 1 day before the date the deposit is due (before 8:00 p.m. Eastern time).

**Federal tax deposit coupons.** If you are not making deposits by EFTPS, use Form 8109 to make the deposits at an authorized financial institution. See the instructions in the coupon book for additional information. If you do not have a coupon book, call 1-800-829-4933.



*You will automatically be enrolled in EFTPS when you apply for an EIN. You will receive a separate mailing containing instructions for activating your EFTPS enrollment after you receive your EIN. You will still have the option to use FTD coupons, but see Electronic deposit requirement above.*

## When To Make Deposits

There are two methods for determining deposits: the regular method and the alternative method.

The regular method applies to all taxes in Part I of Form 720 except for communications and air transportation taxes

if deposits are based on amounts billed or tickets sold, rather than on amounts actually collected. See *Alternative method* below.

If you are depositing more than one tax under a method, combine all the taxes under the method and make one deposit for the semimonthly period.

**Regular method.** The deposit of tax for a semimonthly period is due by the 14th day following that period. Generally, this is the 29th day of a month for the first semimonthly period and the 14th day of the following month for the second semimonthly period. If the 14th or the 29th day falls on a Saturday, Sunday, or legal holiday, you **must** make the deposit by the immediately **preceding** day that is not a Saturday, Sunday, or legal holiday.

**Alternative method (IRS Nos. 22, 26, 27, and 28).** Deposits of communications and air transportation taxes may be based on taxes included in amounts billed or tickets sold during a semimonthly period instead of on taxes actually collected during the period. Under the alternative method, the tax included in amounts billed or tickets sold during a semimonthly period is considered collected during the first 7 days of the second following semimonthly period. The deposit of tax is due by the 3rd banking day after the 7th day of that period.

**Example.** The tax included in amounts billed or tickets sold for the period June 16-30, 2008, is considered collected from July 16-22, 2008, and must be deposited by July 25, 2008.

To use the alternative method, you must keep separate accounts of the tax included in amounts billed or tickets sold during the month and report on Form 720 the tax included in amounts billed or tickets sold and not the amount of tax that is actually collected. For example, amounts billed in December, January, and February are considered collected during January, February, and March and are reported on Form 720 as the tax for the 1st quarter of the calendar year.

The separate account for each month must reflect:

1. All items of tax included in amounts billed or tickets sold during the month, and
2. Other items of adjustment relating to tax for prior months (within the statute of limitations on credits or refunds).

The separate account for any month cannot include an adjustment resulting from a refusal to pay or inability to collect unless the refusal has been reported to the IRS. See *Communications and Air Transportation Taxes—Uncollected Tax Report* on page 3.

The net tax liability that is considered collected during the semimonthly period must be either:

- The net amount of tax reflected in the separate account for the corresponding semimonthly period of the preceding month, or
- One-half of the net amount of tax reflected in the separate account for the preceding month.

**Special rule for deposits of taxes in September 2008.** If you are required to make deposits, see the chart below. The special rule does not apply to taxes not required to be deposited (see *Payment of Taxes* on page 7). See Regulations sections 40.6302(c)-2 and 40.6302(c)-3 for rules to figure the net tax liability for the deposits due in September.

#### Additional deposit of taxes in September 2008

Type of Tax	For the Period		Due Date
	Beginning on	Ending on	
Regular method taxes			
EFTPS <sup>1</sup>	Sept. 16	Sept. 26	Sept. 29
Non-EFTPS	Sept. 16	Sept. 25	Sept. 29

Alternative method taxes (IRS Nos. 22, 26, 27, and 28) (based on amounts billed)

EFTPS <sup>1</sup>	Sept. 1	Sept. 11	Sept. 29
Non-EFTPS	Sept. 1	Sept. 10	Sept. 29

<sup>1</sup>See *Electronic deposit requirement* above.



For the remaining days in September, be sure to make your deposits by the regular due date.

## Amount To Deposit

Deposits of taxes for a semimonthly period must be at least 95% of the amount of net tax liability for that period, unless the safe harbor rule applies. See *Safe Harbor Rule* below.

The net tax liability for a semimonthly period is the total liability for the period minus any claims allowed on Schedule C for the period. Net tax liability for a semimonthly period may be figured by dividing the net tax liability for the month by 2, provided this method of computation is used for all semimonthly periods in the calendar quarter.



The net tax liability for a semimonthly period is not reduced by any amounts from Form 720X.

## Safe Harbor Rule

The safe harbor rule applies separately to deposits under the regular method and the alternative method. Persons who filed Form 720 for the look-back quarter (the 2nd calendar quarter preceding the current quarter) are considered to meet the semimonthly deposit requirement if the deposit for each semimonthly period in the current quarter is at least  $\frac{1}{6}$  (16.67%) of the net tax liability reported for the look-back quarter.

For the semimonthly period for which the additional deposit is required (September 1-11 and 16-26 for EFTPS, or September 1-10 and 16-25 for non-EFTPS), the additional deposit must be at least  $\frac{11}{90}$  (12.23%),  $\frac{10}{90}$  (11.12%) for non-EFTPS, of the net tax liability reported for the look-back quarter. Also, the total deposit for that semimonthly period must be at least  $\frac{1}{6}$  (16.67%) of the net tax liability reported for the look-back quarter.

**Exceptions.** The safe harbor rule does not apply to:

- The 1st and 2nd quarters beginning on or after the effective date of an increase in the rate of tax unless the deposit of taxes for each semimonthly period in the calendar quarter is at least  $\frac{1}{6}$  (16.67%) of the tax liability you would have had for the look-back quarter if the increased rate of tax had been in effect for that look-back quarter;
- Any quarter if liability includes any tax not in effect throughout the look-back quarter; or
- For deposits under the alternative method, any quarter if liability includes any tax not in effect throughout the look-back quarter and the month preceding the look-back quarter.

**Requirements to be met.** For the safe harbor rule to apply, you must:

- Make each deposit timely at an authorized financial institution, and
- Pay any underpayment for the current quarter by the due date of the return.

If you meet the requirements and use the safe harbor rule, check the box on line 5 of Form 720.



The IRS may withdraw the right to make deposits of tax using the safe harbor rule from any person not complying with these rules.

## Schedule A—Excise Tax Liability

**How to complete.** Complete Schedule A to record net tax liabilities for Part I taxes for each semimonthly period in a quarter even if your net liability is under \$2,500.

The following table will help you determine which boxes to complete on Schedule A.

IF you are reporting under the...	THEN you report on line...	AND enter the net tax liability in boxes...
Regular method	1	A–G
Alternative method	2	M–S

If you are reporting more than one type of tax on lines 1 and 2:

1. Add the net tax liability for each tax for each semimonthly period, and
2. Enter the total in the applicable box.

**Additional rules.** Report communications and air transportation taxes based on:

- Actual collections on line 1, or
- Amounts billed or tickets sold on line 2. The amount of tax to report for a semimonthly period is the net amount that is considered collected during that period.

**Example.** The amounts billed for communications services from June 1–15, 2008, are considered collected during the period July 1–7, 2008, and are reported for the 3rd quarter of 2008 on Schedule A in box **M**, not the 2nd quarter of 2008.

**Reporting tax liability under the special September rule.** An additional reporting is required under the special September rule (for the period shown in the chart above) as follows:

<i>Regular method taxes</i>	Enter the tax liability for the period beginning September 16 and ending September 25/26 in box <b>G</b> , Special rule for September.
<i>Alternative method taxes</i>	Enter the tax included in amounts billed or tickets sold during the period beginning September 1 and ending September 10/11 in box <b>S</b> , Special rule for September box on the <b>4th quarter return</b> .

For the remaining days in the September period, report the liability as follows:

<i>Regular method taxes</i>	Enter the liability for the period beginning September 26/27 and ending September 30 in box <b>F</b> .
<i>Alternative method taxes</i>	Enter the tax included in the amounts billed or tickets sold for the period beginning September 11/12 and ending September 15 in box <b>M</b> of the <b>4th quarter return</b> . Enter the tax included in amounts billed or tickets sold during the period beginning September 16 and ending September 30 in box <b>N</b> of the <b>4th quarter return</b> .

## Schedule T—Two-Party Exchange Information Reporting

In a two-party exchange, the receiving person, not the delivering person, is liable for the tax imposed on the removal of taxable fuel from the terminal at the terminal rack. A two-party exchange means a transaction (other than a sale) where the delivering person and receiving person are both taxable fuel registrants and all of the following occur.

- The transaction includes a transfer from the delivering person, who holds the inventory position for the taxable fuel

in the terminal as reflected in the records of the terminal operator.

- The exchange transaction occurs before or at the same time as completion of removal across the rack by the receiving person.
- The terminal operator in its records treats the receiving person as the person that removes the product across the terminal rack for purposes of reporting the transaction on Form 720-TO, Terminal Operator Report.
- The transaction is the subject of a written contract.

**Information reporting.** Schedule T—Two-Party Exchange Information Reporting is used to report gallons of taxable fuel:

- Received in a two-party exchange within a terminal. These gallons must also be included on the appropriate line on page 1 of Form 720, or
- Delivered in a two-party exchange contemporaneous with a removal across the rack.

Enter all gallons of fuel received or delivered in a two-party exchange within a terminal for the applicable fuel.

## Schedule C—Claims

Complete all information requested for each line, including month income tax year ends and period of claim. Enter the month as “MM.” Enter the period of claim as “MM/DD/YYYY – MM/DD/YYYY.” Your claim will be disallowed if you do not follow the required procedures or do not provide all the required information. Also, you are certifying to the applicable statement(s) on Schedule C when you make a claim. See Pub. 510 for more information.



*You must include in gross income (income tax return) the amount from line 4 of Form 720 if you took a deduction on the income tax return that included the amount of the taxes and that deduction reduced the income tax liability. See Publication 510 for more information.*

Do not use Schedule C:

- If you are not reporting a liability on Form 720, in Part I or Part II;
- To claim amounts that you took or will take as a credit on Form 4136, Credit for Federal Tax Paid on Fuels, or as a refund on Form 8849, Claim for Refund of Excise Taxes, and its separate schedules (see the *Caution* later);
- To make adjustments to liability reported on Forms 720 filed for prior quarters, use Form 720X; or
- To request an abatement or refund of interest under section 6404(e) (due to IRS errors or delays) or an abatement or refund of a penalty or addition to tax under section 6404(f) (due to erroneous IRS written advice). Instead, use Form 843, Claim for Refund and Request for Abatement. Also use Form 843 to request refund of the penalty under section 6715 for misuse of dyed fuel.



*If you make a claim for alcohol, biodiesel or renewable diesel, or alternative fuel used to produce a mixture, a claim for refund or credit on Form 8849, Form 4136, Form 6478, or Form 8864 can only be made after the sum of the alcohol fuel mixture credit, biodiesel or renewable diesel mixture credit, and alternative fuel mixture credit is first applied to reduce your taxable fuel liability reported on Form 720 for any particular quarter. See Pub. 510, Notice 2005-4, and Notice 2005-62 for more information.*

## Type of Use Table

The following table lists the nontaxable uses of fuels. You must enter the number from the table in the *Type of use* column as required.

No.	Type of Use
1	On a farm for farming purposes
2	Off-highway business use (for business use other than in a highway vehicle registered or required to be registered for highway use) (other than use in mobile machinery)
3	Export
4	In a boat engaged in commercial fishing
5	In certain intercity and local buses
6	In a qualified local bus
7	In a bus transporting students and employees of schools (school buses)
8	For diesel fuel and kerosene (other than kerosene used in aviation) used other than as a fuel in the propulsion engine of a train or diesel-powered highway vehicle (but not off-highway business use)
9	In foreign trade
10	Certain helicopter and fixed-wing aircraft uses
11	Exclusive use by a qualified blood collector organization
12	In a highway vehicle owned by the United States that is not used on a highway
13	Exclusive use by a nonprofit educational organization
14	Exclusive use by a state, political subdivision of a state, or the District of Columbia
15	In an aircraft or vehicle owned by an aircraft museum
16	In military aircraft

### Claim requirements for lines 1 through 6 and lines 15b–15d.

The following requirements must be met.

1. The amount of the claim must be at least \$750 (combining amounts on lines 1, 2, 3, 4, 5, 6, 15b, 15c, and 15d). This amount may be met by:
  - a. Making a claim for fuel used during any quarter of a claimant's income tax year, or
  - b. Aggregating amounts from any quarters of the claimant's income tax year for which no other claim has been made.
2. Claims must be filed during the first quarter following the last quarter of the claimant's income tax year included in the claim. For example, a calendar year income taxpayer's claim for the first quarter is due June 30 if filed on Form 8849. However, Form 720 must be filed by April 30.
3. Only one claim may be filed for any quarter.
4. The fuel must have been used for a nontaxable use during the period of claim.
5. The ultimate purchaser is the only person eligible to make the claim.

If requirements 1–3 above are not met, see *Annual Claims* on page 13.

**Exported taxable fuel.** The claim rates for exported taxable fuel are listed on lines 1b, 2c, 3e, and 4d, and in the instructions for lines 15b and 15c. Taxpayers making a claim for exported taxable fuel must include with their records proof of exportation. Proof of exportation includes:

- A copy of the export bill of lading issued by the delivering carrier,
- A certificate by the agent or representative of the export carrier showing actual exportation of the fuel,
- A certificate of lading signed by a customs officer of the foreign country to which the fuel is exported, or
- A statement of the foreign consignee showing receipt of the fuel.

## Line 1. Nontaxable Use of Gasoline

**Allowable uses.** The gasoline must have been used during the period of claim for type of use 2, 4, 5, 7, or 12. For exported gasoline, see *Exported taxable fuel* above. Type of use 2 does not include any personal use or use in a motorboat.

## Line 2. Nontaxable Use of Aviation Gasoline

**Allowable uses.** For line 2b, the aviation gasoline must have been used during the period of claim for type of use 9, 10, or 16. For exported aviation gasoline, see *Exported taxable fuel* above.

For line 2d, the aviation gasoline must have been used during the period of claim for type of use 9. This claim is made in addition to the claim made on line 2b for type of use 9.

## Line 3. Nontaxable Use of Undyed Diesel Fuel



*Ultimate purchasers use line 3d to make claims for diesel fuel used on a farm for farming purposes.*

**Allowable uses.** For line 3a, the diesel fuel must have been used during the period of claim for type of use 2, 6, 7, 8, or 12. For exported undyed diesel fuel, see *Exported taxable fuel* above. Type of use 2 does not include any personal use or use in a motorboat. Type of use 8 includes use as heating oil and use in a motorboat.

## Line 4. Nontaxable Use of Undyed Kerosene (Other Than Kerosene Used in Aviation)

**Allowable uses.** For line 4a, the kerosene must have been used during the period of claim for type of use 2, 6, 7, 8, or 12. For exported undyed kerosene, see *Exported taxable fuel* above. Type of use 2 does not include any personal use or use in a motorboat. Type of use 8 includes use as heating oil and use in a motorboat.

For lines 4e and 4f, the kerosene must have been used during the period of claim for type of use 2.

## Line 5. Kerosene Used in Aviation

**Claimant.** For lines 5a and 5b, the ultimate purchaser of kerosene used in commercial aviation (other than foreign trade) is eligible to make this claim. For lines 5c, 5d, and 5e, the ultimate purchaser of kerosene used in noncommercial aviation (except for nonexempt, noncommercial aviation and exclusive use by a state, political subdivision of a state, or the District of Columbia) is eligible to make this claim. Claimant certifies that the right to make the claim has not been waived.

**Allowable uses.** For lines 5a and 5b, the kerosene must have been used during the period of claim in commercial aviation. If the claimant buys kerosene partly for use in commercial aviation and partly for use in noncommercial aviation, see the rules in Notice 2005-80, section 3(e)(3).

For lines 5c and 5d, the kerosene must have been used during the period of claim for type of use 1, 9, 10, 11, 13, 15, or 16.

For line 5e, the kerosene must have been used during the period of claim for type of use 9. This claim is made in addition to the claim made on lines 5c and 5d for type of use 9.

## Line 6. Nontaxable Use of Alternative Fuel

**Claimant.** The ultimate purchaser of the taxed alternative fuel is the only person eligible to make this claim.

**Allowable uses.** The alternative fuel must have been used during the period of claim for type of use 1, 2, 4, 5, 6, 7, 11, 13, 14, or 15.

**Type of use 5.** Write “Bus” in the space to the left of the *Type of use* column. Enter the correct claim rate in the *Rate* column. The claim rates for type of use 5 are listed below.

Line number	Claim rate
6a	\$.109
6b	.110
6c	.109*
6d	.110
6e	.17
6f	.17
6g	.169

\* This is the claim rate per gasoline gallon equivalent (126.67 cubic feet of CNG).

## Information for Claims on Lines 7–11

**Registration number.** To make an ultimate vendor claim on lines 7–11, you must be registered. Enter your registration number, including the prefix, on the applicable line for your claim. If you are not registered, use Form 637, Application for Registration (For Certain Excise Tax Activities), to apply for a registration number.

**Required certificates or waivers.** The required certificates or waivers for lines 7–11 are listed in the line instructions and are available in Pub. 510.

### Line 7a. Sales By Registered Ultimate Vendors of Undyed Diesel Fuel

**Claimant.** For line 7a, the registered ultimate vendor of the diesel fuel is the only person eligible to make this claim and has obtained the required certificate from the buyer and has no reason to believe any information in the certificate is false. See Model Certificate P in Pub. 510. Only one claim may be filed with respect to any gallon of diesel fuel.

**Allowable sales.** The fuel must have been sold during the period of claim for the exclusive use by a state or local government (including essential government use by an Indian tribal government).

**Claim requirements.** The following requirements must be met.

1. The claim must be for diesel fuel sold during a period that is at least 1 week.
2. The amount of the claim must be at least \$200. To meet this minimum requirement, amounts from lines 7, 8, and 9 may be combined.
3. Claims must be filed by the last day of the first quarter following the earliest quarter of the claimant’s income tax year included in the claim. For example, a calendar year income taxpayer’s claim for the first quarter is due June 30 if filed on Form 8849. However, Form 720 must be filed by April 30.

If requirements 1–3 above are not met, see *Annual Claims* on page 13.

**Registration number.** Enter your UV registration number in the space provided.

**Information to be submitted.** For claims on line 7a, attach a separate sheet with the name and TIN of each governmental unit to whom the diesel fuel was sold and the number of gallons sold to each.

### Line 7b. Sales by Registered Ultimate Vendors of Undyed Diesel Fuel for Use in Certain Intercity and Local Buses

**Claimant.** For line 7b, the registered ultimate vendor of the diesel fuel is eligible to make a claim only if the buyer waives his or her right to make the claim by providing the registered ultimate vendor with an unexpired waiver. See Model Waiver N in Pub. 510. Only one claim may be filed with respect to any gallon of diesel fuel.

**Claim requirements.** The following requirements must be met.

1. The claim must be for diesel fuel sold during a period that is at least 1 week.
2. The amount of the claim must be at least \$200. To meet this minimum requirement, amounts from lines 7, 8, and 9 may be combined.
3. Claims must be filed by the last day of the first quarter following the earliest quarter of the claimant’s income tax year included in the claim. For example, a calendar year income taxpayer’s claim for the first quarter is due June 30 if filed on Form 8849. However, Form 720 must be filed by April 30.

If requirements 1–3 above are not met, see *Annual Claims* on page 13.

**Registration number.** Enter your UB registration number in the space provided.

### Lines 8a and 8b. Sales By Registered Ultimate Vendors of Undyed Kerosene (Other Than Kerosene Sold for Use in Aviation)

**Claimant.** For line 8a, the registered ultimate vendor of the kerosene is the only person eligible to make this claim and has obtained the required certificate from the buyer and has no reason to believe any information in the certificate is false. See Model Certificate P in Pub. 510. For line 8b, claimant has a statement, if required, that contains the date of sale, name and address of the buyer, and the number of gallons of kerosene sold to the buyer. For lines 8a and 8b, only one claim may be filed with respect to any gallon of kerosene.

**Allowable sales.** The fuel must have been sold during the period of claim:

- For line 8a, use by a state or local government (including essential government use by an Indian tribal government), or
- For line 8b, from a blocked pump.

**Claim requirements.** The following requirements must be met.

1. The claim must be for kerosene sold during a period that is at least 1 week.
2. The amount of the claim must be at least \$100. To meet this minimum, amounts from lines 8 and 9 may be combined.
3. Claims must be filed by the last day of the first quarter following the earliest quarter of the claimant’s income tax year included in the claim. For example, a calendar year income taxpayer’s claim for the first quarter is due June 30 if filed on Form 8849. However, Form 720 must be filed by April 30.

If requirements 1–3 earlier are not met, see *Annual Claims* on page 13.

**Registration number.** Enter your UV or UP registration number in the space provided.

**Information to be submitted.** For claims on line 8a, attach a separate sheet with the name and TIN of each governmental unit to whom the kerosene was sold and the number of gallons sold to each.

### Line 8c. Sales by Registered Ultimate Vendors of Undyed Kerosene for Use in Certain Intercity and Local Buses

**Claimant.** For line 8c, the registered ultimate vendor of the kerosene is eligible to make a claim only if the buyer waives his or her right to make the claim by providing the registered ultimate vendor with an unexpired waiver. See Model Waiver N in Pub. 510. Only one claim may be filed with respect to any gallon of kerosene.

**Claim requirements.** The following requirements must be met.

1. The claim must be for kerosene sold during a period that is at least 1 week.
2. The amount of the claim must be at least \$100. To meet this minimum, amounts from lines 8 and 9 may be combined.
3. Claims must be filed by the last day of the first quarter following the earliest quarter of the claimant's income tax year included in the claim. For example, a calendar year income taxpayer's claim for the first quarter is due June 30 if filed on Form 8849. However, Form 720 must be filed by April 30.

If requirements 1–3 above are not met, see *Annual Claims* on page 13.

**Registration number.** Enter your UB registration number in the space provided.

### **Lines 9a and 9b. Sales By Registered Ultimate Vendors of Kerosene For Use in Commercial Aviation (Other Than Foreign Trade)**

**Claimant.** The registered ultimate vendor of the kerosene sold for use in commercial aviation is eligible to make this claim only if the buyer waives his or her right by providing the registered ultimate vendor with an unexpired waiver. See Model Waiver L in Pub. 510. Only one claim may be filed with respect to any gallon of kerosene sold for use in commercial aviation.

**Allowable sales.** The kerosene sold for use in commercial aviation must have been sold during the period of claim for use in commercial aviation (other than foreign trade).

**Claim requirements.** The following requirements must be met.

1. The claim must be for kerosene sold for use in commercial aviation during a period that is at least 1 week.
2. The amount of the claim must be at least \$100. To meet this minimum, amounts from lines 8 and 9 may be combined.
3. Claims must be filed by the last day of the first quarter following the earliest quarter of the claimant's income tax year included in the claim. For example, a calendar year income taxpayer's claim for the first quarter is due June 30 if filed on Form 8849. However, Form 720 must be filed by April 30.

If requirements 1–3 above are not met, see *Annual Claims* on page 13.

**Registration number.** Enter your UA registration number in the space provided.

### **Lines 9c, 9d, 9e, and 9f. Sales By Registered Ultimate Vendors of Kerosene Sold For Use in Noncommercial Aviation**

**Claimant.** For line 9c, the registered ultimate vendor of the kerosene sold for use in nonexempt, noncommercial aviation is the only person eligible to make this claim and has obtained the required certificate from the ultimate purchaser. See Model Certificate Q in Pub. 510. For lines 9d, 9e, and 9f, the registered ultimate vendor of the kerosene sold for nontaxable use in noncommercial aviation (foreign trade for line 9f) is eligible to make this claim only if the buyer waives his or her right to make the claim by providing the registered ultimate vendor with an unexpired waiver. See Model Waiver L in Pub. 510. For type of use 14, see Model Certificate P in Pub. 510. Only one claim may be filed with respect to any gallon of kerosene sold for use in noncommercial aviation.

**Allowable sales.** For line 9c, the kerosene must have been sold for a nonexempt use in noncommercial aviation. For lines 9d and 9e, the kerosene sold for use in

noncommercial aviation must have been sold during the period of claim for type of use 1, 9, 10, 11, 13, 14, 15, or 16.

For line 9f, the kerosene sold for use in noncommercial aviation must have been sold during the period of claim for type of use 9. This claim is made in addition to the claim made on lines 9d and 9e for type of use 9.

**Claim requirements.** The following requirements must be met.

1. The claim must be for kerosene sold for use in noncommercial aviation during a period that is at least 1 week.
2. The amount of the claim must be at least \$100. To meet this minimum, amounts from lines 8 and 9 may be combined.
3. Claims must be filed by the last day of the first quarter following the earliest quarter of the claimant's income tax year included in the claim. For example, a calendar year income taxpayer's claim for the first quarter is due June 30 if filed on Form 8849. However, Form 720 must be filed by April 30.

If requirements 1–3 above are not met, see *Annual Claims* on page 13.

**Registration number.** Enter your UA (UV if type of use 14) registration number in the space provided.

**Information to be submitted.** For claims on lines 9d and 9e (type of use 14), attach a separate sheet with the name and TIN of each governmental unit to whom the kerosene was sold and the number of gallons sold to each.

### **Lines 10 and 11. Sales by Registered Ultimate Vendors of Gasoline and Aviation Gasoline**

**Claimant.** The registered ultimate vendor of the gasoline or aviation gasoline is eligible to make a claim on lines 10 and 11 if the buyer waives his or her right to make the claim by providing the registered ultimate vendor with an unexpired certificate. See Model Certificate M in Pub. 510. Only one claim may be filed with respect to any gallon of gasoline or aviation gasoline.

**Allowable sales.** The gasoline or aviation gasoline must have been sold during the period of claim for:

- Use by a nonprofit educational organization, or
- Use by a state or local government (including essential government use by an Indian tribal government).

**Claim requirements.** The following requirements must be met.

1. The claim must be for gasoline or aviation gasoline sold or used during a period that is at least 1 week.
2. The amount of the claim must be at least \$200. To meet this minimum, amounts from lines 10 and 11 may be combined.
3. Claims must be filed by the last day of the first quarter following the earliest quarter of the claimant's income tax year included in the claim. For example, a calendar year income taxpayer's claim for January and February is due June 30 if filed on Form 8849. However, Form 720 must be filed by April 30.

**Registration number.** Enter your UV registration number in the space provided.

**Information to be submitted.** For claims on lines 10 and 11, attach a separate sheet with the name and TIN of each nonprofit educational organization or governmental unit to whom the gasoline or aviation gasoline was sold and the number of gallons sold to each.

### **Line 12. Alcohol Fuel Mixture Credit**

**Claimant.** The person that produced and sold or used the mixture in their trade or business is the only person eligible to make this claim. The credit is based on the gallons of alcohol in the mixture.

**How to claim the credit.** Any alcohol fuel mixture credit must first be taken on Schedule C to reduce your taxable fuel liability reported on Form 720. Any excess credit may be taken on Schedule C (Form 720), Form 8849, Form 4136, or Form 6478. See Notice 2005-4 and Notice 2005-62 for more information.

**Claim requirements.** The following requirements must be met if the credit exceeds the amount of taxable fuel liability reported.

1. The claim must be for an alcohol fuel mixture sold or used during a period that is at least 1 week.
2. The amount of the claim must be at least \$200. To meet this minimum, amounts from lines 12, 13, and 14 may be combined.

If requirements 1 and 2 above are not met, see *Annual Claims* below.

**Registration number.** If you are a registered blender or a taxable fuel registrant, enter your registration number on line 12.

### Line 13. Biodiesel or Renewable Diesel Mixture Credit

**Claimant.** The person that produced and sold or used the mixture in their trade or business is the only person eligible to make this claim. The credit is based on the gallons of biodiesel or renewable diesel in the mixture.

**How to claim the credit.** Any biodiesel or renewable diesel mixture credit must first be taken on Schedule C to reduce your taxable fuel liability reported on Form 720. Any excess credit may be taken on Schedule C (Form 720), Form 8849, Form 4136, or Form 8864. See Notice 2005-4 and item 4 below for more information.

**Claim requirements.** Requirements 1 and 2 must be met only if the credit exceeds the amount of taxable fuel liability reported. Requirements 3 and 4 must be met for all claims.

1. The claim must be for a biodiesel or renewable diesel mixture sold or used during a period that is at least 1 week.
2. The amount of the claim must be at least \$200. To meet this minimum, amounts from lines 12, 13, and 14 may be combined.
3. The biodiesel used to produce the biodiesel mixture must meet ASTM D6751 and meet the Environmental Protection Agency's (EPA) registration requirements for fuels and fuel additives under section 211 of the Clean Air Act. The renewable diesel used to produce the renewable diesel mixture must be derived from biomass (as defined in section 45K(c)(3)) using a thermal depolymerization process, meet ASTM D975 or D396, and meet EPA's registration requirements for fuels and fuel additives under section 211 of the Clean Air Act.
4. The Certificate for Biodiesel and, if applicable, Statement of Biodiesel Reseller must be attached to the first claim filed that is supported by the certificate or statement. For the renewable diesel mixture credit, you must edit the certificate and, if applicable, statement to indicate that the fuel to which the certificate and statement relate is renewable diesel and state that the renewable diesel meets the requirements discussed above under requirement 3. See Model Certificate O and Model Statement S in Pub. 510. If the certificate and statement are not attached to Form 720 because they are attached to a previously-filed claim on Schedule 3 (Form 8849), attach a separate sheet with the following information.
  - a. Certificate identification number.
  - b. Total gallons of biodiesel or renewable diesel on certificate.
  - c. Total gallons claimed on Schedule 3 (Form 8849).
  - d. Total gallons claimed on Schedule C (Form 720), line 13.

If requirements 1 and 2 above are not met, see *Annual Claims* below.

**Registration number.** If you are a registered blender or a taxable fuel registrant, enter your registration number on line 13.

### Line 14. Alternative Fuel Credit and Alternative Fuel Mixture Credit

**Claimant.** For the alternative fuel credit, the registered alternative fueler who (1) sold an alternative fuel at retail and delivered it into the fuel supply tank of a motor vehicle or motorboat, (2) sold an alternative fuel, delivered it in bulk for taxable use in a motor vehicle or motorboat, and received the required statement from the buyer, or (3) used an alternative fuel (not sold at retail or in bulk as previously described) in a motor vehicle or motorboat is the only person eligible to make this claim.

For the alternative fuel mixture credit, the registered alternative fueler that produced and sold or used the mixture as a fuel in their trade or business is the only person eligible to make this claim. The credit is based on the gallons of alternative fuel in the mixture.

**How to claim the credit.** Any alternative fuel credit and any alternative fuel mixture credit must first be taken on Schedule C to reduce your taxable fuel liability reported on Form 720. Any excess credit may be taken on Schedule C (Form 720), Form 8849, or Form 4136.

**Claim requirements.** To claim either credit, you must be registered by the IRS. To claim the alternative fuel mixture credit, the following requirements must be met if the credit exceeds the amount of taxable fuel liability reported.

1. The claim must be for an alternative fuel mixture sold or used (as described earlier under *Claimant*) during a period that is at least 1 week.
2. The amount of the claim must be at least \$200. To meet the minimum, amounts from lines 12, 13, and 14 may be combined.

If requirements 1 and 2 above are not met, see *Annual Claims* below.

**Registration number.** You must enter your registration number in the space provided.

**Form 720X.** If you are not registered, you cannot make a claim at this time. Use Form 637 to apply for registration. After you are registered by the IRS, file Form 720X to claim the credit for this period.

### Annual Claims

If a claim on lines 1–9, 12–14, or 15b–15e was not made for any gallons, an annual claim may be made. Generally, an annual claim is made on Form 4136 for the income tax year during which the fuel was used by the ultimate purchaser, sold by the registered ultimate vendor, used to produce an alcohol fuel mixture and biodiesel mixture, or used in mobile machinery. See Form 4136 for more information.

### Line 15. Other Claims

For claims under section 6416(b)(2) relating to certain uses and resales of certain articles subject to manufacturers or retailers excise taxes, claimant certifies that it sold the article at a tax-excluded price, repaid the amount of tax to the ultimate vendor, or has obtained the written consent of the ultimate vendor to make the claim; and has the required supporting information.

### Lines 15b and 15c. Exported Dyed Diesel Fuel and Exported Dyed Kerosene

For exported dyed diesel fuel and exported dyed kerosene, see *Exported taxable fuel* on page 10. The claim rate for each fuel is \$.001.

### Line 15d. Diesel-Water Fuel Emulsion

The claim rate for the nontaxable use of a diesel-water fuel emulsion taxed at \$.198 (CRN 309) is \$.197. The fuel must have been used during the period of claim for type of use 1,

2, 3, 5, 6, 7, 8, or 12. For type of use 5, the claim rate is \$.124 (CRN 309). For type of use 3 (exported), the claim rate is \$.198 (CRN 306) and is reported on line 15d.

The claim rate for undyed diesel fuel taxed at \$.244 (CRN 310) and used to produce a diesel-water fuel emulsion is \$.046 per gallon of diesel fuel so used (blender claims). The claimant must attach a statement certifying that (a) the claimant produced a diesel-water fuel emulsion containing at least 14% water, (b) the emulsion additive is registered by a United States manufacturer under section 211 of the Clean Air Act with the EPA, (c) the claimant used undyed diesel fuel taxed at \$.244 to produce the diesel-water emulsion, and (d) the claimant sold or used the diesel-water fuel emulsion in the blender's trade or business. The blender claimant must be registered by the IRS and must enter their registration number on line 15d and enter the applicable CRN.

**Claim requirements.** See *Claim requirements for lines 1 through 6 and lines 15b–15d* on page 10.

### Line 15e. Registered Credit Card Issuers

**Allowable sales.** The gasoline (CRN 362), aviation gasoline (CRN 324), diesel fuel (CRN 360), kerosene (CRN 346), or kerosene for use in aviation (CRN 369) must have been purchased with a credit card issued to the ultimate purchaser during the period of claim:

- For gasoline or aviation gasoline, for the exclusive use by a state or local government (including essential government use by an Indian tribal government) or for the exclusive use of a nonprofit educational organization; or
- For diesel fuel, kerosene, or kerosene for use in aviation, for the exclusive use by a state or local government (including essential government use by an Indian tribal government).

**Claimant.** The registered credit card issuer is the only person eligible to make this claim if the credit card issuer:

1. Is registered by the IRS;
2. Has not collected the amount of tax from the ultimate purchaser or has obtained the written consent of the ultimate purchaser to make the claim;
3. Certifies that it has repaid or agreed to repay the amount of tax to the ultimate vendor, has obtained the written consent of the ultimate vendor to make the claim, or has otherwise made arrangements which directly or indirectly provide the ultimate vendor with reimbursement of the tax; and
4. Has in its possession an unexpired certificate from the ultimate purchaser and has no reason to believe any of the information in the certificate is false. See Model Certificate R in Pub. 510.

If any of these conditions is not met, the credit card issuer must collect the tax from the ultimate purchaser and only the ultimate purchaser can make the claim.

**Claim requirements.** The following requirements must be met.

1. The claim must be for gasoline, aviation gasoline, diesel fuel, kerosene, or kerosene for use in aviation sold during a period that is at least 1 week.
2. The amount of the claim must be at least \$200 (\$100 for kerosene or kerosene for use in aviation).
3. Claims must be filed by the last day of the first quarter following the earliest quarter of the claimant's income tax year included in the claim. For example, a calendar year income taxpayer's claim for the first quarter is due June 30 if filed on Form 8849. However, Form 720 must be filed by April 30.
4. The claimant must enter its registration number on line 15e, the amount of the claim, and the applicable CRN (see *Allowable sales* above). If the claim is for more than one fuel, use the blank lines 15f through 15i, or attach a separate sheet listing the fuels, amount, and CRN.

**Claim rates.** The claim rates are shown below.

CRN	Claim Rate
324	\$.193
346	.243
360	.243
362	.183
369	.218

### Line 15f. Other Claims



*Do not use line 15f to make communication tax claims for nontaxable service. See Communications Taxes on page 3.*

Use line 15f for claims relating to taxes listed in the table below. See Pub. 510 for information on allowable claims relating to these taxes. If you need additional space, attach other sheet(s). You must include the following information for each claim.

- A detailed description of the claim.
- Any additional information required by the regulations.
- The amount of the claim.
- How you figured the claim amount.
- Any other information to support the claim.

**Claim requirement.** Generally, the claim must be filed within 3 years from the time the return was filed or 2 years from the time the tax was paid, whichever is later.

Tax	CRN
Ozone-depleting chemicals (ODCs)	398
Oil spill liability	349
Truck, trailer, and semitrailer chassis and bodies, and tractors	383
Passenger vehicles (luxury tax)	392
Taxable tires other than biasply or super single tires	396
Taxable tires, biasply or super single tires (other than super single tires designed for steering)	304
Taxable tires, super single tires designed for steering	305
Gas guzzler automobiles	340
Vaccines	397
Sport fishing equipment	341
Fishing rods and fishing poles	308
Fishing tackle boxes	387
Electric outboard motors	342
Bows, quivers, broadheads, and points	344
Arrow shafts	389

### Unresolved Tax Issues

If you have attempted to deal with an IRS problem unsuccessfully, you should contact the Taxpayer Advocate. The Taxpayer Advocate independently represents your interests and concerns within the IRS by protecting your rights and resolving problems that have not been fixed through normal channels.

While Taxpayer Advocates cannot change the tax law or make a technical tax decision, they can clear up problems that resulted from previous contacts and ensure that your case is given a complete and impartial review.

Your assigned personal advocate will listen to your point of view and will work with you to address your concerns. You can expect the advocate to provide you with:

- A "fresh look" at your new or ongoing problem,
- Timely acknowledgment,

- The name and phone number of the individual assigned to your case,
- Updates on progress,
- Timeframes for action,
- Speedy resolution, and
- Courteous service.

When contacting the Taxpayer Advocate, you should provide the following information.

- Your name, address, and taxpayer identification number (TIN).
- The name and telephone number of an authorized contact person and the hours he or she can be reached.
- The type of tax return and year(s) or period(s) (for quarterly returns) involved.
- A detailed description of the problem.
- Previous attempts to solve the problem and the office you contacted.
- A description of the hardship you are facing (if applicable).

You may contact a Taxpayer Advocate by calling a toll-free number, 1-877-777-4778. Persons who have access to TTY/TDD equipment may call 1-800-829-4059 and ask for Taxpayer Advocate assistance. If you prefer, you may call, write, or fax the Taxpayer Advocate office in your area. See Pub. 1546, Taxpayer Advocate Service—Your Voice at the IRS, for a list of addresses and numbers.

**Privacy Act and Paperwork Reduction Act Notice.** We ask for the information on these forms in order to carry out the Internal Revenue laws of the United States. We need it to figure and collect the right amount of tax. Miscellaneous excise taxes are imposed under Subtitle D of the Internal Revenue Code. These forms are used to determine the amount of tax that you owe. Section 6011 requires you to provide the requested information. Section 6109 requires you to provide your TIN. Routine uses of this information include giving it to the Department of Justice for civil and criminal litigation, and cities, states, and the District of Columbia for use in administering their tax laws. We may also disclose this information to other countries under a tax

treaty, to federal and state agencies to enforce federal nontax criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism. If you fail to provide this information in a timely manner, you may be liable for penalties and interest.

You are not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books or records relating to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue law. Generally, tax returns and return information are confidential, as required by section 6103.

The time needed to complete and file these forms and related schedules will vary depending on individual circumstances. The estimated average times are:

Form	Recordkeeping	Learning about the law or the form	Preparing and sending the form to the IRS
720	28 hr., 40 min.	2 hr., 5 min.	6 hr., 13 min.
720-V	1 hr., 11 min.	— —	1 min.
Sch. A	3 hr., 49 min.	— —	3 min.
Sch. T	1 hr., 54 min.	— —	1 min.
Sch. C	39 hr., 42 min.	53 min.	1hr., 34 min.
720X	6 hr., 13 min.	18 min.	24 min.
6197	7 hr., 10 min.	12 min.	19 min.
6627	14 hr., 5 min.	6 min.	19 min.

If you have comments concerning the accuracy of these time estimates or suggestions for making these forms and related schedules simpler, we would be happy to hear from you. You can write to the Internal Revenue Service, Tax Products Coordinating Committee, SE:W:CAR:MP:T:T:SP, 1111 Constitution Ave. NW, IR-6526, Washington, DC 20224. Do not send the tax forms to this office. Instead, see *Where To File* on page 1.

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